#### MINUTES OF THE

#### NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT INTERIM COMMITTEE

Wednesday, June 18, 2008 – 9:00 a.m. – Room W020 House Building

**Members Present:** 

Rep. Roger E. Barrus, House Chair

Sen. Gene Davis

Sen. Margaret Dayton

Sen. Dennis E. Stowell

Sen. Michael G. Waddoups

Rep. Sylvia S. Andersen

Rep. Melvin R. Brown

Rep. Glenn A. Donnelson

Rep. Jack R. Draxler

Rep. Carl W. Duckworth

Rep. Kerry Gibson

Rep. James R. Gowans

Rep. Neal Hendrickson

Rep. Michael E. Noel

Rep. Patrick L. Painter

Rep. Phil Riesen

Rep. Bradley A. Winn

**Members Absent:** 

Sen. Darin Peterson, Senate Chair

Rep. John G. Mathis

Rep. Stephen E. Sandstrom

**Staff Present:** 

Mr. J Brian Allred, Policy Analyst

Ms. Emily Brown, Associate General Counsel

Ms. Joy L. Miller, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

#### 1. Committee Business

Chair Barrus called the meeting to order at 9:15 a.m. Sen. Peterson was excused from the meeting.

**MOTION:** Rep. Painter moved to approve the minutes of the May 21, 2008 meeting. The motion passed unanimously. Sen. Davis, Sen. Stowell, Rep. Donnelson, and Rep. Noel were absent for the vote.

# 2. Energy Development Conference Proposal

Mr. Wesley Smith, Copenhagen Consensus Center (CCC), distributed and discussed "Copenhagen Consensus 2008 -- Results," its accompanying press release, and "Copenhagen Consensus Youth Forum 2008 -- Ranked List." He indicated that the CCC is waiting for the Legislature to make a formal commitment prior to starting the project, which will take five to six months to complete. He noted the process is transparent and open enough that it would be very difficult for any one group to attempt to influence the outcome.

Chair Barrus stated that the intent is to look at all energy resources in the state from the standpoint of a cost-benefit analysis. He requested that the CCC include what effect the energy development would have on air quality. He commented that legislative leadership supports obtaining a cost-benefit analysis and that the project can be funded by interested parties throughout the intermountain region.

**MOTION:** Rep. Draxler moved to recommend that the process move forward and support legislative leadership in obtaining a cost-benefit analysis through the CCC. The motion passed unanimously. Sen. Davis, Sen. Stowell, Rep. Donnelson, and Rep. Noel were absent for the vote.

#### 3. Oil, Gas and Mining Development

Mr. John Baza, Director, Division of Oil, Gas and Mining, distributed a copy of his presentation "Utah Oil, Gas, and Mining Developments." He pointed out that Utah crude oil production is declining while

Minutes of the Natural Resources, Agriculture, and Environment Interim Committee June 18, 2008 Page 2

natural gas production is increasing. Mr. Baza said the significance of increasing Utah's production of fossil fuels has never been more important. He stressed the need to keep the regulatory landscape fair, consistent, and predictable and to invest in developing new technology with fervor.

# 4. Surface Coal Mining Permit Application -- Notice of Violations

Ms. Brown explained that the Legislative Management Committee asked the interim Committee to review two provisions regarding surface coal mining that are set to be repealed September 30, 2009. She reviewed the options available to the Committee.

**MOTION:** Sen. Stowell moved to delete the repeal date on surface coal mining provisions as recommended. The motion passed unanimously. Sen. Waddoups, Rep. Andersen, Rep. Gibson, and Rep. Noel were absent for the vote.

### 5. Surface Coal Mining -- Successful Revegetation Requirements

Ms. Brown stated Congress removed the repeal date in the matching federal language in 2006 and made the provision permanent on a federal level.

**MOTION:** Sen. Stowell moved to delete the repeal dates to be in compliance with federal law. The motion passed unanimously. Sen. Waddoups, Rep. Andersen, Rep. Gibson, and Rep. Noel were absent for the vote

# 6. Energy Development Technologies

Mr. Alan Walker, Utah Science Technology and Research Initiative (USTAR), gave a presentation on "New Technology and Innovations." He discussed USTAR's potential economic impacts on the Utah energy industry. He indicated that new technologies include carbon management, developing alternative energy resources, optimized exploration, and unconventional energy development.

Sen. Dayton requested that committee members receive a copy of the presentation.

### 7. Clean Coal Technologies

Mr. Tom Sarkus, Director, Advanced Energy Initiative Division, United States Department of Energy, National Energy Technology Lab, distributed a booklet "NextGen Energy Council The Power of Ideas," which contained a copy of his presentation and other informational documents. He discussed technological carbon management options and outlined the actions that can be taken to help projects move forward.

# 8. Recodification Natural Resources Sections of the Utah Code

Ms. Brown referred the Committee to her memorandum and 2009 General Session draft legislation, "Recodification of Natural Resources Provisions," which were included in the supplemental mailing packet. She discussed Subsection 79-2-203(1) on line 224 of the bill. She noted if the Committee decides to keep the subsection, the board sections should cross-reference to this additional criteria.

Minutes of the Natural Resources, Agriculture, and Environment Interim Committee June 18, 2008 Page 3

Mr. Darin Bird, Department of Natural Resources, spoke in favor of the changes proposed in the legislation.

**MOTION:** Rep. Painter moved to leave Subsection (1) as written and add the necessary cross references to the additional criteria. The motion passed unanimously. Sen. Davis, Sen. Waddoups, and Rep. Donnelson were absent for the vote.

Ms. Brown explained that Subsection (2) on line 229 establishes compensation for board members and is repetitive to other sections creating individual boards.

**MOTION:** Rep. Anderson moved to delete Subsection (2). The motion passed unanimously. Sen. Davis, Sen. Waddoups, and Rep. Donnelson were absent for the vote.

Ms. Brown discussed Subsection (3)(a) beginning on line 242. She said that Subsection (3)(a) regarding removal is unique and not found in other sections addressing board membership.

Rep. Riesen recommended leaving Subsection (3)(a) in the bill.

Ms. Brown discussed Subsection (3)(b) which she said is somewhat repetitive. She noted that the sections creating the individual boards address vacancy but some sections are more specific than others.

**MOTION:** Rep. Brown moved to delete Subsection (3)(b) on lines 245 and 246. The motion passed unanimously. Sen. Davis, Sen. Waddoups, and Rep. Donnelson were absent for the vote.

Ms. Brown discussed Subsection (4). She said that if the subsection is removed, there are some separation of powers issues with cross-branch membership.

**MOTION:** Rep. Brown moved to go to the next item. The motion passed unanimously. Sen. Davis and Sen. Waddoups were absent for the vote.

Ms. Brown reviewed Subsection (5) which addresses conflicts of interest.

Due to lack of a quorum, Chair Barrus indicated that the Committee would hold action on Subsection (5) and Section 79-2-302 and would revisit Subsection (4) at the next meeting.

#### 9. Other Business /Adjourn

Chair Barrus distributed a copy of a Deseret News Editorial "Protect Snake Valley Water" and "Snake Valley Water Issue Up-Date." He noted that the Nevada state engineer has scheduled a hearing on July 15 concerning the Southern Nevada Water Authority's applications for unappropriated water in the Snake Valley of Utah and Nevada.

Rep. Painter recommended that the committee cochairs send a letter to Utah's congressional delegation opposing amendments to the Clean Water Act (CWA) proposed by Congressman Oberstar that would expand to interstate and intrastate waters and tributaries. He asked that the letter state Utah strongly opposes any proposal that would expand the jurisdiction of federal government under the CWA

Minutes of the Natural Resources, Agriculture, and Environment Interim Committee June 18, 2008 Page 4

especially as it could pertain to regulating groundwater, which has historically been the responsibility of the state.

A straw poll of the Committee indicated unanimous support for the letter.

Rep. Riesen asked that each member receive a copy of the letter.

Chair Barrus adjourned the meeting at 12:05 p.m.